

**STAFF REPORT**

Meeting Date: October 20, 2004

**TO:** LAFCO Commissioners

**FROM:** Everett Millais, Executive Officer

**SUBJECT:** Independent Special District's Prorata Share Adjustment and FY 2004-05 Budget Adjustment

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**RECOMMENDATION:**

- A. Based on a recalculation of each independent special district's prorata share of one third of the Commission's operating expenditures consistent with Government Code Sec. 56381(b)(1)(C) and (E), as amended, authorize the County Auditor not to collect any additional amounts due to LAFCO that are \$25 or less.
- B. Adjust the FY 2004-05 budget to decrease the revenues from other governmental agencies (Independent Special Districts - account code 9372) from \$157,689 to \$157,619, and to decrease the expenditures for miscellaneous office expenses (account code 2179) from \$10,000 to \$9,930, resulting in a decrease in both total revenues and total expenditures of \$70.

**DISCUSSION:**

After the Commission approved the FY 2004-05 budget the County Auditor/Controller determined each independent special district's prorata share of one third of the Commission's operating expenditures and sent invoices to each independent special district for their prorata share amount. After the invoices were sent and after most of the independent special districts had paid the amount invoiced, the Auditor/Controller was made aware of the fact that the applicable provisions of the Government Code relating to the calculation of each independent special district's prorata share had been

**COMMISSIONERS AND STAFF**

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<b>COUNTY:</b> Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	<b>CITY:</b> Evaristo Barajas, Chair Don Waunch <i>Alternate:</i> John Zaragoza	<b>SPECIAL DISTRICT:</b> Jack Curtis, Vice Chair Dick Richardson <i>Alternate:</i> Ted Grandsen	<b>PUBLIC:</b> Louis Cunningham  <i>Alternate:</i> Kenneth M. Hess
<b>EXECUTIVE OFFICER:</b> Everett Millais	<b>LAFCO ANALYST:</b> Hollie Brunsky	<b>OFFICE MANAGER/CLERK:</b> Debbie Schubert	<b>LEGAL COUNSEL:</b> Leroy Smith

amended to: (a) exclude intergovernmental revenue from the determination of total district revenue, and (b) cap any district's share to not more than 50% of the independent special districts' share of the Commission's costs.

Based on these changes to the Government Code the Auditor/Controller recalculated each independent special district's prorata share. The changes are reflected in the attached table. Note that the total amount due from the independent special districts did not change, only the method of apportionment. Given that the change in the law became effective in 2003, the initial invoices sent were inconsistent with current law, with some districts being charged too much and some districts not being charged enough. As reflected in the attached table 5 districts were charged (and paid) too much, while 21 districts were not charged enough, but all of the amounts involved are relatively small.

Consistent with applicable law in place at the time the Commission adopted its FY 2004-05 budget in June, the Auditor-Controller has processed refunds to be sent to those districts that overpaid and has prepared revised invoices for those districts that were not charged enough initially. However, due to the costs involved for the districts, the Auditor-Controller and LAFCO in invoicing, issuing checks and accounting for small amounts of money, it is recommended that the Commission authorize the Auditor-Controller to NOT collect any additional amounts due that are less than \$25. This recommendation affects 11 districts and would result in a revenue loss to LAFCO for FY 2004-05 of only \$70.

Provided the Commission accepts this recommendation, it is further recommended that the FY 2004-05 budget be adjusted to account for the \$70 revenue loss. Specifically it is recommended that the FY 2004-05 budget be adjusted to decrease the revenues from other governmental agencies (Independent Special Districts), account code 9372, from \$157,689 to \$157,619, and to decrease the expenditures for miscellaneous office expenses (account code 2179) from \$10,000 to \$9,930.

**FISCAL YEAR 2004-05**  
**ALLOCATION - SPECIAL DISTRICTS**  
**SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY00/01**

	INITIAL APPORTIONMENT			REVISED APPORTIONMENT			DIFFERENCE		
	(A) TOTAL REVENUE PER REPORT	(B) PERCENTAGE	(C) ALLOCATION	(D) TOTAL REVENUE PER REPORT	(E) PERCENTAGE (See Note 2)	(F) NEW ALLOCATION	(D-A) TOTAL REVENUE PER REPORT	(E-B) PERCENTAGE (See Note 2)	(F-C) ALLOCATION
1 Bardsdale Public Cemetery	\$ 170,406	0.089%	155	\$ 170,116	0.089%	156	\$(290)	0.001%	1
2 Bell Canyon Comm. Services Dist.	313,805	0.181%	285	313,805	0.183%	289		0.002%	4
3 Calleguas Municipal Water Dist.	85,777,356	49.377%	77,861	85,366,746	49.785%	78,505	(410,610)	0.408%	644
4 Camarillo Health Care Dist.	1,802,149	1.037%	1,636	1,802,149	1.051%	1,657		0.014%	21
5 Camrosa Water Dist.	10,237,304	5.893%	9,292	10,230,356	5.986%	9,408	(6,948)	0.073%	116
6 Castas Municipal Water Dist.	10,859,271	6.251%	9,857	10,842,263	6.323%	9,971	(17,008)	0.072%	114
7 Channel Island Beach CSD	2,635,879	1.517%	2,393	2,635,424	1.537%	2,424	(455)	0.020%	31
8 Conejo Recreation & Park Dist.	10,609,197	6.107%	9,630	9,715,837	5.666%	8,935	(893,360)	-0.441%	(695)
9 El Rancho Simi Public Cemetery Dist	30,087	0.017%	27	26,625	0.015%	24	(3,462)	-0.002%	(3)
10 Fillmore-Piru Memorial Dist.	140,980	0.081%	128	140,759	-0.082%	129	(201)	0.001%	1
11 Fox Canyon Groundwater Mgmt.. Agency	333,307	0.192%	302	333,307	0.194%	306		0.002%	4
12 Hidden Valley Municipal Water Dist.	56,627	0.033%	51	56,550	0.033%	52	(77)	0.000%	1
13 Meiners Oaks County Water Dist.	581,626	0.335%	528	580,687	0.339%	534	(939)	0.004%	6
14 Montalvo Municipal Impv. Dist.	481,586	0.277%	437	478,840	0.279%	440	(2,746)	0.002%	3
15 Ocean View Municipal Water Dist.	373,244	0.215%	339	373,228	0.218%	343	(16)	0.003%	4
16 Ojai Valley Sanitary Dist.	6,007,502	3.468%	5,453	6,003,063	3.501%	5,521	(4,439)	0.043%	68
17 Ojai Water Conservation Dist.	4,219	0.003%	4	4,110	0.003%	4	(109)	0.000%	0
18 Oxnard Drainage Dist. No. 1	40,332	0.023%	37	40,258	0.024%	37	(74)	0.001%	0
19 Oxnard Drainage Dist. No. 2	492,037	0.283%	447	117,046	0.068%	108	(374,991)	-0.215%	(339)
20 Oxnard Harbor Dist.	9,384,700	5.402%	8,519	9,384,700	5.473%	8,630		0.071%	111
21 Piru Public Cemetery Dist.	11,614	0.007%	11	11,474	0.007%	11	(140)	0.000%	0
22 Pleasant Valley Co. Water Dist.	1,813,029	1.044%	1,646	1,804,311	1.052%	1,659	(8,718)	0.008%	13
23 Pleasant Valley Rec & Parks Dist.	4,233,860	2.437%	3,843	4,233,810	2.469%	3,894	(50)	0.032%	51
24 Rancho Simi Rec & Park Dist.	11,190,948	6.442%	10,158	11,101,387	6.474%	10,209	(89,561)	0.032%	51
25 Russell Valley Municipal Water Dist.	-	0.000%	-	-		-		0.000%	-
26 Saticoy Sanitary Dist.	396,574	0.229%	362	159,038	0.093%	146	(239,536)	-0.136%	(216)
27 United Water Conservation Dist.	8,972,435	5.165%	8,144	8,887,327	5.183%	8,173	(85,108)	0.018%	29
28 Ventura Co. Resource Conserv. Dist.	143,412	0.083%	130	46,630	0.027%	43	(96,782)	-0.056%	(87)
29 Ventura Port District	5,629,268	3.240%	5,110	5,616,009	3.275%	5,165	(13,259)	0.035%	55
30 Ventura River County Water Dist.	996,238	0.573%	904	995,951	0.581%	916	(287)	0.008%	12
TOTAL	\$ 173,720,972	100.000%	157,689	\$ 171,471,806	100.000%	157,689	\$ (2,249,166)	0	0

**VENTURA LOCAL AGENCY FORMATION COMMISSION**  
**EXPENDITURES AND REVENUE DETAIL**  
**Adopted/Adjusted Budget FY 2004 - 2005**

Account Code	Adopted Budget FY 04-05	Budget Adjustments FY 04-05 *	Adopted/Adjusted Budget FY 04-05
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**EXPENDITURES**

<b>Salaries and Employee Benefits</b>				
Regular Salaries	1101	223,724		223,724
Extra Help	1102	25,000		25,000
Supplemental Payments	1106	11,044		11,044
Retirement Contribution	1121	44,137		44,137
OASDI Contribution	1122	12,148		12,148
FICA-Medicare	1123	3,404		3,404
POB Debt Service	1126	35,642		35,642
Group Insurance	1141	18,016		18,016
Life Ins/Dept Heads & Mgt	1142	312		312
State Unemployment Ins	1143	845		845
Management Disability Ins	1144	1,667		1,667
Med Inc Surc	1146	0		0
Workers Compensation	1165	3,897		3,897
401k Plan	1171	6,712		6,712
<b>Total Salaries and Benefits</b>		<b>386,548</b>		<b>386,548</b>
<b>Services and Supplies</b>				
Telephone Charges - Non ISF	2032	150		150
Voice/Data -ISF	2033	2,700		2,700
General Insur Allocation	2071	1,415		1,415
Facil/Matls Sq Ft Alloc-ISF	2125	12,900		12,900
Memberships & Dues	2141	4,500		4,500
Education Allowance	2154	3,000		3,000
Indirect Cost Recovery (County Cost Allocation Plan charges)	2158	0		0
Books & Publications	2172	250		250
Office Supplies	2173	2,700		2,700

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<b>Services and Supplies Cont.</b>				
Mail Center-ISF	2174	7,000		7,000
Purchasing Charges-ISF	2176	1,000		1,000
Graphics Charges-ISF	2177	6,500		6,500
Copy Machine Chgs-ISF	2178	2,000		2,000
Misc Office Expense	2179	10,000	(70)	9,930
Board Member Fees	2191	4,000		4,000
Information Technology	2192	1,900		1,900
Public Works Charges	2197	25,000		25,000
Other Prof & Spec Service	2199	80,000		80,000
County GIS Expense	2214	18,405		18,405
Public And Legal Notices	2261	5,500		5,500
IBM PC Leasing	2273	1,170		1,170
Computer Equipment <5000	2293	15,000		15,000
Spec Dept x04(Assessor/Legal Coun	2304	25,000		25,000
Private Vehicle Mileage	2522	6,000		6,000
Conference & Seminars Expense	2523	16,000		16,000
<b>Total Services and Supplies</b>		<b>252,090</b>		<b>252,020</b>
<b>Contingencies</b>				
Contingencies	6101	63,865		63,865
<b>Total Contingencies</b>		<b>63,865</b>		<b>63,865</b>
<b>TOTAL EXPENDITURES</b>		<b>702,503</b>		<b>702,433</b>

**VENTURA LOCAL AGENCY FORMATION COMMISSION**  
**EXPENDATURES AND REVENUE DETAIL**  
**Adopted/Adjusted Budget FY 2004 - 2005**

Account Code	Adopted Budget FY 04-05	Budget Adjustments FY 04-05 *	Adopted/Adjusted Budget FY 04-05
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**FINANCING SOURCES**

<b>Fund Balance</b>	5040	<b>145,367</b>		<b>145,367</b>
<b>Designation for Subsequent Year Financing</b>	5070	<b>0</b>		<b>0</b>
<b>Miscellaneous Revenue</b>				
Interest Earnings	8911	3,500		3,500
Other Revenue - Misc. (charges for LAFCO services)	9772	60,000		60,000
Other Revenue - Misc. (from CALAFCO for E.O. expenses)	9772	2,000		2,000
Indirect cost Recovery (County cost Allocation Plan Reimbursmnt)	9411	18,569		18,569
<b>Total Miscellaneous Revenue</b>		<b>84,069</b>		<b>84,069</b>
<b>Other Governmental Agencies</b>				
Other Gov't Agencies (County of Ventura)	9372	157,689		157,689
Other Gov't Agencies (Cities)	9372	157,689		157,689
Other Gov't Agencies (Indep Special Districts)	9372	157,689	(70)	157,619
<b>Total Other Government Agencies Revenue</b>		<b>473,067</b>		<b>472,997</b>
<b>Total Revenue</b>		<b>557,136</b>		<b>557,066</b>
<b>TOTAL FINANCE SOURCES &amp; REVENUE</b>		<b>702,503</b>		<b>702,433</b>